

Aesclepius' Staff

J. Michael Menke, MA, DC, PhD

Money doesn't make you happy. I now have \$50 million, but I was just as happy when I had \$48 million.

- Arnold Schwarzenegger

Money buys health (care) in the United States. Good health leads to an abundant and wealthy life, so say some. But the big business of health care, often anointed by our fears of cancers and aging, is not about improving health. The trouble is, health care (not just medicine) has had a free ride for many years, and chiropractors have had to go it alone, without the big, publicly financed subsidies.

The symbol of medicine, the Aesclepiian staff and snake, bears an ironic resemblance to the dollar sign. Medicine and money too often appear to be inseparable, but the American public trusts that for the most part, health care dollars are spent on our behalf. As the following stories illustrate, chiropractors are not even a small cause of soaring health care costs. But the chiropractic profession is not a solution, either, as long as it stays abstract in its conception and communication, and considers maximum visits the principal indicator of success.

Truly, chiropractors could do a lot with even the tiniest portion of the money thrown at conventional medicine - and sometimes, this money has little to do with health care. It is considered the fat of the health care land, available for selling and schmoozing. The money comes from taxpayers, consumers, health insurance, and ultimately, employee health insurance is tucked in as a cost of all products. When someone throws a large drug sales party, sponsors a convention, or lobbies on a yacht at the national political conventions, you are paying for that. As President George W. Bush said in his 2000 campaign, "That's your money!"

There is no indication that health care reform needs to be a government single-payer system. However, various experts are crying for health care to be opened to true competition based on results for disease or condition, whereby professions and technologies may demonstrate contribution, rather than rely on historical privilege.¹

On my way to teach "integrative chiropractic" in Philadelphia in June, I met an attorney returning from a deposition. His client is suing a pharmaceutical company for charging too much for a prostate cancer medication. A drug that costs \$6 to make is billed to insurance companies for over \$2,000 for the same dose. My new acquaintance said the drug was for sale for many years, and development costs were recouped long ago. The only plausible explanation for a 33,000-plus percent margin was greed. With the "C" word (cancer), you have a captive and fearful market, he figured. Worse yet (and better for some), oncologists are allowed to profit from the "float" between a manufacturer's wholesale and the insurance company's paying price. He said one physician makes over \$3 million a year from selling this drug, despite having only 300 patient files.²

At the 2004 ACC-Research Agenda Conference (RAC) in Las Vegas, Marc Micozzi, MD, PhD, of Thomas Jefferson University, reported that the number of spine surgeons in Pennsylvania is down to only 200, in part from annual malpractice premiums of \$660,000 per surgeon. Each doctor must perform more than 400 surgeries each year just to cover malpractice.³ To pay for office space, employees, house payments, the Mercedes, the summer home in Maine, and the yacht, more surgeries must be done. Put this number in perspective: two surgeries per working day for malpractice premiums, and another one or two per day for anesthesia, hospitalization, and disability charges from each surgery, and another one or two for taxes and personal and professional overhead. What do we know for sure? These spine surgeons ought to be very good at what they do.

The largest portion of health care cost increases is in hospitalization, which accounts for 53 percent³ of last year's increase. To "market" themselves, hospitals offer financial incentives for local doctors to set up and expand their practices, with an understanding that in the future, the doctors will refer patients. Paying directly for patients is strictly illegal, due to anti-kickback laws.

According to *The Wall Street Journal*,⁴ a San Diego medical doctor was paid \$382,000 (\$70,000 for office improvements and equipment, \$180,000 for office expenses, and a one-year "collections guarantee" of \$132,000) to set up practice - "no strings attached" - by Alvarado Hospital. There may be an additional "pass-through allowance" given to the physician-owners of the existing practice via the new doc. In this case, approximately \$230,000 was distributed to the bosses. In this single office, the new physician brought in a guaranteed \$132,000, and the practice got another \$432,000. This is hardly unusual.

Last year, Medicare prosecuted a San Diego physician for routinely billing for office visits and treadmill tests when only treadmill tests were performed. In his plea bargain, this doc said he received over \$600,000 in bribes from Alvarado hospital to refer patients. This caught the attention of Carol Lam, United States Attorney in San Diego, who will prosecute the case herself.

When the employers and the public get sick of the waste in sickness care that is always passed on to consumers, maybe the health care industry can be opened up to real innovation and competition through the tasks chiropractors are already predisposed (but not necessarily trained) to do: risk detection, better self-care, prevention, early disease management, and nonsurgical musculoskeletal care. Business as usual in health care is not good health care. Good health care may need chiropractic to be really good.

References

1. Porter ME and Teisberg EO. Redefining competition in health care. *Harvard Business Review*, June 2004;82(6):64-76.
2. Author's personal communication.
3. ACC/RAC 2004, Las Vegas, Nevada.
4. Recruiting trouble: As hospitals battle for patients, a prosecutor alleges bribery. San Diego doctors got money for relocation; did they send business in return? More legal woes for Tenet. *Wall Street Journal*, June 11, 2004, p. A1.

J. Michael Menke, DC
Tucson, Arizona
menke@u.arizona.edu

SEPTEMBER 2004

©2024 Dynamic Chiropractic™ All Rights Reserved